



**Testimony of Dr. Thomas Farquhar
Legislative Co-Chair, Radiological Society of Connecticut
regarding**

**H.B. No. 7027 AN ACT CONCERNING THE STATE BUDGET FOR THE
BIENNIUM ENDING JUNE THIRTIETH 2019, AND MAKING
APPROPRIATIONS THEREFOR.**

Good afternoon Senator Formica, Senator Osten, Representative Walker, and members of the Appropriations Committee. My name is Thomas Farquhar. I am the legislative co-chair of the Radiological Society of Connecticut (the Connecticut state chapter of the American College of Radiology) and a practicing physician here in Hartford. I would like to offer brief comments on the proposed budget of the Department of Social Services.

This proposed budget continues the drastic payment reductions made in 2015 to the provider component of Medicaid payments for imaging such as MRI, CT scans, x-rays and mammography. This cut was over 42 percent and is again reflected in the budget adjustment for upcoming fiscal year. We are asking that you reconsider this budget item because we are very worried this will limit Medicaid patient access to these vital services.

To be clear, these cuts targeted only private practice radiologists. The cut did not affect hospitals or hospital-employed physicians. These private practices are small businesses, employing hundreds of employees with good paying jobs in communities across the state.

DSS has said publicly that these rates are in line with neighboring states in New England. This is not true – these rates are lower than neighboring states and put Connecticut Medicaid payments among the lowest in the country, on par with only a few states, such as Mississippi.

The reimbursement rates for mammography, a basic preventative screening study, are particularly out of line. The Connecticut Medicaid rates is less than 2/3 of the rates in neighboring New York and Massachusetts; this while CT has the #1 highest breast cancer incidence in the country. The eventual outcome of continued provider cuts is very clear – Medicaid patients will have few if any non-hospital providers accepting their insurance, driving them to hospitals even for routine, outpatient and screening exams – at greater cost and much less convenience.

In fact, DSS has already presented their own data showing that this is the case. In an October 6, 2016 letter from DSS Commissioner Bremby to the MAPOC committee, Commissioner Bremby states that although radiologist's professional services (annualized radiology visit per 1000 HUSKY member months) increased 6.8% from year to year overall, in the same time period, independent (non-hospital) radiology



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claims decreased 16%. The drop in the use of radiology facility claims made by independent radiologists is significant on a percentage basis even though the net impact of this decrease remains small, because the vast majority of HUSKY members use hospital-based services. This imbalance between hospital based radiology and independent facility based radiology services is substantial. There were 214,823 hospital-based claims compared to 7,189 claims for independent facility services during the same time period. This significant imbalance and continued decrease in utilization of independent outpatient are directly related to the inadequate Medicaid reimbursement rate. Continuing the current rate cut, or further rate cuts, will only worsen the imbalance and lack of choice of providers for Medicaid beneficiaries. With the discrepancy of fees paid and cost of care, we should be working to increase access to lower cost radiology practices.

Again, we ask for your help in partially restoring the cuts to radiology provider reimbursement. Cuts to other providers, even hospitals, were restored or partially restored in recent budgets, and we ask that you take steps to preserve patient access and address these radiology cuts this session.

Sincerely,

Thomas Farquhar, MD, PhD

Member, Executive Committee
Co-Chair, Legislative Committee
Radiological Society of Connecticut